



Montana Environmental Trust Group, LLC
Trustee of the Montana Environmental Custodial Trust
PO Box 1230, East Helena, Montana 59635
Telephone: (406) 227-1242

March 7, 2013

Betsy Burns
RCRA Project Officer
EPA Region VIII
Montana Office
10 West 15th St., Suite 3200
Helena, MT 59626

RE: Consent Decree Civil Action No. CV 98-3-H-CCL East Helena Site Work Performed During July 2012

Dear Ms. Burns:

The Montana Environmental Trust Group, LLC, Trustee of the Montana Environmental Custodial Trust (the Custodial Trust), hereby submits the attached monthly progress report for the month of July 2012 to the US Environmental Protection Agency (EPA). The enclosed report was prepared pursuant to the requirements of Section 86 and other applicable provisions of the First Modification of the Consent Decree (No. CV 98-3-H-CCL) entered on US Federal District Court (Montana) in 2012.

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**Montana Environmental Custodial Trust Monthly Progress Report for East Helena (EH) Site
July 2012**

#	Topics & Subtasks	Date(s)	Major Activities ⁱ	Con ⁱⁱ
I.	RCRA Corrective Action			
A.	Investigations, Studies, Analyses and Data Collection			
1.	Phase II RFI	During Period	No significant Phase II RFI activities occurred during the reporting period.	NA
2.	FSAP	During Period	Hydrometrics completed the June FSAP sampling event and subsequent follow-up activities.	HY
		7/2/12	Hydrometrics coordinated the abandonment of a residential well located at 319 Gale St.	HY CT
		7/16-17/12	Hydrometrics completed the June FSAP sampling event and subsequent follow-up activities.	HY
		7/23-27/12	Hydrometrics completed June sampling follow-up; monthly FSAP surface water elevations and streamflow gaging (7/23); site-wide monthly GW level monitoring (7/24); monthly groundwater sampling at 8 wells (7/25). July data management.	HY
3.	Risk Assessment	During Period	No significant risk assessment activities occurred during this reporting period.	NA
4.	Upper Lake Aquifer Test	During Period	EH personnel inspected the condition and integrity of and removed debris from the UL diversion structure and smelter dam. They also adjusted the underflow gates on the dam to manage water levels behind the dam.	TS
		7/31/12	EH personnel replaced the valve on the UL pump and installed a new flow meter to make monitoring the UL pumping process easier.	TS
		During Period	EH personnel continued UL pump tests to evaluate turbidity and drawdown impacts.	HY TS
		During Period	The CT continued daily: collection of water level data in UL, LL, and Prickly Pear Creek (PPC) (upstream and downstream of the dam); and turbidity monitoring (upstream of the dam, downstream of the dam and at locations in East Helena (near the Main Street Bridge and downstream)).	TS CT
5.	GW Model	7/6/12	Hydrometrics took part in a GW model conference call and delivered CAMU well data to AMEC for analysis.	HY AM
		During Period	AMEC continued development and calibration of the numeric gw flow model, including: continued PEST calibration to head data; particle tracking to confirm flow directions; and manual calibration particularly to Prickly Pear synoptic stream gaging data.	AM
6.	Database Management	During Period	Field and laboratory data from May 2012 water sampling event (monitoring wells, private wells and surface water samples) was evaluated and integrated into the EH database.	HY
		During Period	Field and laboratory data from May & June 2012 water sampling event (monitoring wells, private wells and surface water samples) was evaluated and integrated into the EH database.	HY
B.	Interim Measures			
1.	SPHC IMs	During Period	Permitting: Submitted draft FEMA CLOMR MT-2 Forms 1, 2, and 3 for internal project team review. Set up a July 24, 2012 status update meeting with East Helena Floodplain Administrator, FEMA, and DNRC.	CH MM
		During Period	Continued work on MPDES permit modification for temporary HDS outfall relocation to PPC, including: 1) effluent characterization, 2) receiving water characterization, 3) in-stream mixing analysis, and 4) development of plans for piping corridor and outfall location	CH MM

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			at PPC.	HY
		During Period	Continued coordination with prefabricated bridge vendor for the smelter dam crossing. Requested cost data for prefabricated bridge structures. Worked on erosion control plan for stockpiles. Reviewed PPC bypass overflow weir concept. Prepared drilling task HASP.	CH MM HY
		During Period	Updated HEC-RAS model for 60% TBC Design. Temp Bridge Opening HEC-RAS Model Sensitivity Evaluation (Out of scope but will try and accommodate within existing modeling budget)	MM
		During Period	Geotechnical investigation of new bridge abutments. Preparation of tech memo on geotechnical investigation.	HY
		7/9/12	Hydrometrics prepared and submitted to CH2M HILL a technical memorandum summarizing results of the Smelter Dam bridge abutment geotechnical investigation.	CH MM HYD
		7/13/12	MMI completed updated HEC-RAS modeling for use in 60% PPC Temporary Bypass detailed engineering	MM
		7/13/12	CH2M HILL and MMI Initiated scour calculations/overbank roughness evaluation for Yellow Stone pipeline protection	CH MM
		7/13/12	METG forwarded to CH2M HILL a confirmation letter from MDEQ stating that an Opencut Mining permit is not required for construction of the temporary bypass and use of earthfill for work onsite.	CH
		7/15/12	Hydrometrics, working with CH2M HILL, prepared PPC mixing zone calculations, continued with design of outfall pipe, and continued preparation of MPDES, JA 3, and COE permit applications. Documents were placed on project wise for internal team review.	CH
		7/15/12	MMI and CH2M HILL prepared and delivered July 24 meeting agenda to project team and City of East Helena, DNRC, FEMA, and METG.	CH MM
		During Period	MMI, working with CH2M HILL, completed HEC-RAS model sensitivity analysis of temp bypass bridge crossing. Resolved Temp Bypass Crossing bridge span = 90'	CH MM
		During Period	Hydrometrics completed MPDES Permitting activities including preparation of figures for MPDES application, mixing analysis for instream discharge, and the MPDES permit application information. Results of this work indicate that instream discharge may not be acceptable.	HY
		During Period	Hydrometrics began looking at a groundwater discharge alternative for MPDES permitting.	HY
		7/16/12	Submitted 60% design technical specifications for Erosion Control and Dewatering	CH HYD
		7/17/12	Submitted 60% design drawings for Stockpile plan and Erosion Control Plan	CH HYD
		7/17/12	Prepared 60% detailed engineering package for internal review.	CH
		During Period	Prepared technical memorandum reporting results of scour protection analyses and design for the Temp Bypass channel. Document was issued as part of the 60% engineering submittal.	CH MM
		During	Began preparation of purchase orders for implementation of PPC realignment work by AGI and Confluence. Review insurance	CH

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		Period	requirements with each, identified insurance modifications needed to meet contract minimums. Requested from Confluence revised insurance coverage. Coordinated health and safety requirements with each and requested OSHA forms.	
		During Period	Evaluated permit requirements for controlled MPDES discharges to PPC. Determined existing HDS cannot meet permit requirements.	CH
		During Period	Evaluated siting options for infiltration gallery.	CH
		During Period	Competed MPDES next steps planning conference call.	CH
		7/24/12	Conducted meeting with DNRC, COEH (B. Casey), EPA (B. Burns), FEMA, METG, MMI, and CH2M to discuss status of CLOMR application, and detailed arrangements for review and approval of the CLOMR and the Floodplain Permit.	CH MM
		During Period	Conducted soils characterization for West fields and Lamping field, GW characterization for West fields area and Lamping Fields, GW characterization for Tito Park for construction dewatering, SW characterization for Lower Lake for construction dewatering, and SW characterization for quantity and quality for short and long term water management.	HY
		7/31/12	Reviewed 60% plans with beneficiaries via teleconference.	CH MM
2.	ET Cover System IMs	7/2/12	Site visit with Century Link to verify phone services and start preparing relocation scope and contract	CH MM HY
		7/3/12	Phase 1 demolition: Conducted weekly meeting with team to discuss progress and schedule. Continued preparation of 30% detailed engineering documents. Researched drawings of existing buildings.	CH MM HY
		7/7/12	Continued coordination of ERM survey with Hydrometrics and IRS. Reviewed document and returned to HYD for revisions. Issued PO 420947-1000 Rev 4 for Hydrometrics Review and approval.	CH MM HY
		During Period	Continued detailed engineering of COEH water line. Missing easement information needed from DJ&A.	CH MM HY
		During Period	Preparing for field survey of remaining East Bench Utilities and waterline relocation	CH MM HY
		During Period	Preparing for exploratory excavation of the old Wilson Ditch with a subcontractor and a location survey	CH MM HY
		During Period	Addressing site safety and health requirements and equipment for upcoming field activities.	CH MM HY
		During	Site visits to collect field data, photos, record drawings for Phase 1 Detailed Engineering	CH

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		Period		MM HY
		7/12/12	Hydrometrics and CH2M HILL prepared and reviewed SAP and QAPP for ERM Survey Demolition Plan Support and coordinated with IRS Environmental to begin ERM Survey on Wednesday July 18, 2012.	HY CH
		7/12/12	CH2M HILL prepare task Specific Health & Safety Plan for ERM Survey	CH
		7/12/12	CH2M HILL and MMI obtained METG approval to conduct research into easements on and near the main plant site.	CH MM
		7/13/12	MMI completed field survey activities for remaining East Bench Utilities and waterline relocation.	MM
		7/14/12	CH2M HILL prepared Operation Readiness Review (ORR) for ERM Survey	CH
		7/14/12	CH2M HILL prepared Task Specific Construction Quality Plan for ERM Survey	CH HY
		During Period	CH2M HILL and MMI continued work on the Phase 1 Demolition Plan and Detailed Engineering: including background data collection and evalution.	CH MM
		During Period	CH2M HILL and MMI continued working on COEH water main detailed engineering design and 30% deliverable package.	CH MM
		7/16/12	Conducted Operational Readiness Review for the ERM survey	HY CH
		7/16-18/12	ERM Survey: Conducted health and safety meetings with Hydrometrics and IRS. Prepared AHA for ERM field work, compiled health and safety documentation (HAZWOPER CERTS, blood lead monitoring data, medical records, aerial lift training, MSDSs for chemicals to be used on site, and related information).	CH HY
		7/18-20/12	Conducted ERM Survey for ACM, LBP, PCB, and universal waste for the buildings slated for Phase 1 Demolition. MCS completed the ERM Survey on Friday July 20th.	CH HY
		During Period	Continued review of 30% Phase 1 Demolition drawings and scope of work	CH HY
		During Period	Continued preparation of 30% water main relocation engineering documents.	CH HY
		During Period	Finalized East Bench existing utilities map from survey. Contacted NW Energy to discuss relocation status and schedule.	CH HY
		7/23/12	Prepared and submitted 30% water main design for beneficiary and agency review	CH
		7/24/12	Conducted meeting with NW Energy, CT, and EPA to discuss utility relocations on the east tertiary bench. Resolved significant issues regarding cost sharing.	CH MM
		7/24/12	Met w/ NWEnergy to identify path forward and next steps on contract w/METG, easement process, and activities schedule.	CH MM
3.	Source Removal IMs	7/2/12	Temporarily stopped grading/site civil design to wait for METG approval on CAMU footprint.	CH MM HY
		7/3/12	Submitted CAMU sizing technical memorandum to METG for review approval.	CH

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				MM HY
		During Period	CAMU: Continued 30% detailed engineering document preparation.	CH MM HY
		During Period	Worked on liner/leachate system detailed drawings.	CH MM HY
		7/9/12	CH2M HILL prepared and issued CAMU footprint size options memo to the CT for review. CH2M HILL obtained CT approval to design CAMU footprint approx. 1.4 acres larger than in the original concept. The larger foot print provides an additional 150,000 cubic yards of maximum capacity (500,000 cubic yards total capacity)	CH
		7/10/12	CH2M HILL restarted CAMU grading design, after ~1 week pause, using the revised conceptual CAMU footprint.	CH
		7/12/12	CH2M HILL continued preliminary geotechnical calculations (e.g., veneer stability and liner anchor trench pull-out).	CH
		7/13/12	CH2M HILL completed 4 drawing details for 30% CAMU design.	CH
		7/17/12	Received and began addressing internal QC review comments on 8 drawings details.	CH
		7/17/12	Completed grading design for CAMU berms and bottom grades.	CH
		7/19/12	Completed preliminary HELP modeling. Completed preliminary mapping of stormwater basins and flow.	CH
		7/20/12	Continued preliminary geotechnical calculations and analysis.	CH
		7/20/12	Worked on additional drawings details and site plan drawing.	CH
		7/20/12	Began detailed grading design (e.g., ditches, sumps, etc).	CH
		7/24/12	Continued detailed grading design (e.g., ditches, sumps, etc).	CH
		7/26/12	Began working on overall engineering report.	CH
		7/26/12	Performed preliminary sump sizing analysis.	CH
		7/27/12	Completed working engineering reports for grading/site civil and stormwater	CH
		7/27/12	Completed preliminary geotechnical calculations. Continued working on geotechnical analysis, and engineering report	CH
		7/27/12	Completed 30% drawings for internal review.	CH
4.	IM Work Plans	During Period	IM WP 2012: Document out for public comment.	CH MM HY
		During Period	IM WP 2013: Continue preparation of document outline for submittal to METG and Beneficiaries.	CH MM HY
		During Period	CH2M HILL started preparing 2013 IMWP. Developed conceptual work approach for strategic planning, 5YP, cost estimating, and cash flow analysis over planning period.	CH

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5.	RCRA Team Support	During Period	West Selenium Hot Spot/LOSA area – Researched groundwater chemistry correlations, groundwater seasonal trends, and potential relationships between groundwater and area soils. Evaluated potential additional data (soil borings) needs. Hydrometrics and CH2M HILL prepared a brief technical memorandum compiling available Parcels 17/18 soil data, and started to evaluate the data. Began work on Tito Park/Upper Ore Storage/Lower Lake CSM (soils data compilation, cross-sections, hydrographs)	CH MM HY
6.	General (Programmatic) IMs	7/3/12	Kicked off programmatic work items implementation planning with discussions regarding health, safety, and integration into the demolition contract documents.	CH
		During Period	CH2M HILL prepared and submitted to METG revised change order requests for PO #009, #010, #015, and #017, and change order request for PO #018. Prepared and submitted to METG first change order request for PO #019. Continued to prepare change order requests for PO#019 (second), 016, and 008 Rev01.	CH
7.	Permitting	During Period	No significant permitting activities occurred during the reporting period.	NA
C.	CMS			
	CMS Work Plan	During Period	No significant activities related to the CMS work plan occurred during this reporting period.	CH
II.				
A.	Beneficiary Communications	During Period	No significant activities related to Beneficiary Communications occurred during this reporting period.	NA
B.	Stakeholder Communications	During Period	No significant activities related to Stakeholder Communications occurred during this reporting period.	NA
III. Site Management & Operations				
A.	Site-Wide Health & Safety/Regulatory Compliance	During Period	EH personnel completed weekly and monthly inspections of health and safety systems, CAMU #1 and #2 liners, temporary liners, natural gas hoses and hazardous waste roll-offs, measured leachate levels in both CAMUs,	TS
		7/18/12	In connection with the updated HASP, EH personnel installed Lego Blocks along plant entrances for installation of tire cleaning gravel.	TS
		7/19/12	The CT sent the PortaCount fit test machine back to the manufacturer for its annual calibration.	CT
		7/23/12	The CT received verification that consultant Dan Maness completed his 40-hour Hazwoper training and can now begin working in the HDS plant.	CT
		7/26/12	Hydrometrics provided the CT with the Tier II information.	CT HY
		7/27/12	The CT collected leachate samples from CAMU #2 for Hydrometrics to determine future water treatment methods.	TS
B.	Site Security	During Period	The CT ordered signage for HASP implementation and ordered the 4'x8' METG sign for in front of the Modular office building.	CT

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C.	Plant Operations	During Period	EH personnel repaired a broken electrical line on the slag dump, removed and charged on the John Deere Thornock diesel, performed maintenance and cleaning on site equipment, including the Clearwell and D-25 water truck, cut brush along roadway to Diversion dam and disposed of weeds near the automatic gate, cleaned out the Thornock secondary containment area, moved contaminated soil from the staging bin near the Manlove cabin into East Fields, replaced lights throughout the site and package them for disposal, palletized old batteries from site equipment for recycling, disconnected the natural gas hose near the Warehouse for access to the conex shipping container outside the Environmental Office in order to remove documents and relocate the container, reconnected the natural gas line near the warehouse, bled air through the line and relit the pilot lights in the office.	TS
D.	Stormwater Management	7/3/12	The CT submitted its monthly MPDES and Stormwater DMR's for the HDS Water Treatment Plant.	CT
		7/24/12	EH personnel added bleach to the million gallon tank and the Tank Farm tanks in order to kill bacteria growth in the system.	TS
		7/27/12	The CT received their city water usage report from the City of EH. The report indicates an average usage of 350,000 gallons per month while the city water lines may be leaking 5-6 gpm underground.	CT
E.	Documents & Records	During Period	The CT began sorting boxes of documents in the Bath House by site, palletized and shrink wrapped them and moved them to 40' conex containers near the Environmental Office at the new location on Manlove Ave.	CT TS
F.	Water Rights	During Period	EH personnel checked hours and serviced the Burnham's irrigation pump at Simacs. No other significant water rights issues occurred during the period.	TS
G.	Other Property Management	During Period	No significant other property management activities occurred during this reporting period.	NA
H.	Other Site Operations	During Period	No significant other site operation activities occurred during this reporting period.	NA
IV. Property Use/Development				
A.	Agricultural Leases	7/2/12	EH personnel serviced Burnham's irrigation pump by changing engine oil and applying grease.	TS
		7/13/12	The CT and Hydrometrics toured East Fields to inspect areas that need re-vegetating. Hydrometrics will submit a proposal to the CT.	TS
		7/16/12	Buchanan Spray Service sprayed noxious weeds in the Soil repository next to the former Asarco housing. Due to Burnham's cattle still grazing East Fields, he was unable to spray that section.	CT
B.	Community Land Uses	7/4/12	EH personnel escorted Big Sky Fireworks for access to the slag pile during the annual July 4 th fireworks display.	TS
		7/13/12	The CT received a request for fishing access to PPC from an EH resident, who was told access could not be granted in the near term without EPA authorization, but public access would be allowed after remediation was complete.	CT
		7/16/12	The CT received signed waivers from all participants in the EH Rodeo from the EH Rodeo Association.	TS
C.	Redevelopment & Property Sale	During Period	The CT received interest in the Coverall building structures from John Hanson. The CT told Mr. Hanson once the demolition contractor decides as to the condition of the buildings his contact information will be passed along.	CT
D.	Slag Re-Processing	7/2/12	The CT escorted Metallica representative Tom McIntyre to tour the slag pile for potential slag purchase.	CT
E.	City/County Land Transfers	During	No significant City/County land transfer activities occurred during this reporting period.	NA

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		Period		
V.	CT Operations & Financial Affairs			
A.	Personnel & Office Operations	During Period	Hydrometrics continued oversight of the construction activities occurring at the proposed modular office building site on Manlove Ave. Double Stud Construction continued leveling the site and applying road mix; they also began staking out water and sewer lines in preparation for connecting to city water and sewer. Eagle Electric installed the electrical panel and underground conduits to supply power to the modular office building on Manlove Ave. Hydrometrics and Northwestern Energy located a gas line located under the proposed modular office building site on Manlove Ave in order to assure clearance of the office building and conex containers from covering up this line.	HY
B.	Financial Affairs	During Period	The CT continued to evaluate and review PO's for CH2MHill.	CT CH
		During Period	SP4C continued development of CT project controls systems during the reporting period.	SP
VI.	Upcoming Activities			
		8/09/12	Targeted date for submittal of Joint Permit Application #1.	
		8/15/12	Targeted date for delivery of CT modular office structure.	

Section 3. Describe and estimate the percentage of studies completed.

The 2012 IM Workplan was finalized in July 2012. No other projects or studies were completed in July 2012. A complete listing of projects completed in 2012 will be reported in the January 2013 Progress Report.

Section 4. Describe Actions being taken to address problems.

There were no actions required to address problems associated with the Decree.

Section 5. Identify changes in key personnel during the period.

None during the reporting period.

Section 6. Describe the status of financial assurance mechanisms, including whether any changes have occurred, or are expected to occur which might affect them, and the status of efforts to bring such mechanisms back into compliance with the requirements of this Decree.

The Custodial Trust received funds for Environmental Actions earmarked for site clean-up in connection with the ASARCO bankruptcy settlement. The Custodial Trust deposited the funds in a segregated East Helena Clean-up account and is investing and managing the funds in accordance with the provisions of the Settlement Agreement. Issues related to the CAMU trust are stilling being resolved between the beneficiaries and ASARCO.

Please do not hesitate to contact me with any questions pertaining to this transmittal.

Sincerely,

A handwritten signature in blue ink, appearing to be "Jim Ford", written over the word "Sincerely,".

Montana Environmental Trust Group, LLC

Not individually but solely in its representative capacity as
Trustee of the Montana Environmental Custodial Trust

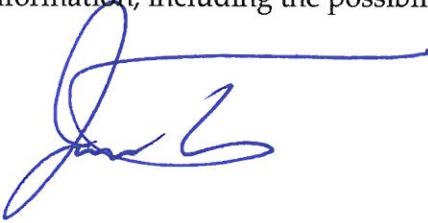
By: Greenfield Environmental Trust Group, Inc., Member

By: Jim Ford, Duly Authorized Owner Representative

cc: Denise Kirkpatrick - MDEQ
Randy Breeden - EPA 8
Chuck Figur - EPA 8

CERTIFICATION
PURSUANT TO U.S. v ASARCO INCORPORATED
(CV-98-3-H-CCL, USDC, D. Montana)

"I certify under penalty of law that this document and all attachments, were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment for knowing violations."

A handwritten signature in blue ink, appearing to be "Jim Ford", with a long horizontal line extending to the right.

Montana Environmental Trust Group, LLC

Not individually but solely in its representative capacity as
Trustee of the Montana Environmental Custodial Trust

By: Greenfield Environmental Trust Group, Inc., Member

By: Jim Ford, Duly Authorized Owner Representative